

**Visitors Promotion Committee**  
**November 18, 2015**  
**MINUTES**

In attendance: Kerry Eagan, Julie Lattimer, Roland Morgan, Dave Wheaton, Colette Wear, Becky Perrett, Amy Dickerson, Trent Fellers, and Michelle Waite

Staff attending: Derek Feyerherm, Kathy Dvorak, Jeff Maul, Kyle Fischer, Ron Kalkwarf

Guests: Bill Stephen, Marissa Gill Keyzer, Holden Armstrong, Robert Wamsley, Rex Wamsley, and Kevin Abourezk

Call to Order and Introductions: Julie Lattimer called the meeting to order at 1:35p.m. and introductions were made to include Kevin Abourezk from the Lincoln Journal Star.

Lattimer asked Eagan for information before hearing funding requests as to the proper procedure for grant guidelines. Mini grant requests (up to \$10,000) are heard twice per year and larger grant requests need to go to the County Board before being presented to this body and then heard twice per year as well. In the case of the Lied Center request, that did not happen; they stated they spoke to Amundson regarding the request. So the request from the Lied Center is a little out of sync. Eagan then stated that there could be a cash flow problem as the balance in the account is \$1.7M and we have commitments for \$1.9M; however, this does not include money coming over the remainder of the FY. There is \$152K unspoken for FY 2016. As far as the \$10K grants, there should be plenty of money. Maul asked if it was a timing issue regarding payout time and Eagan said yes – if asked for all at once, there could be a cash flow problem; but he needs to check with Dennis Meyer to be sure. There is \$122K projected to work with today. Maul asked if we will consider the Lied request by need or by money we have. Eagan stated we can listen and then recommend to the Board; however, we need to get a better handle on the large requests. Facility needs should have a master plan and schedule a request time. Lattimer stated that since this body meets quarterly, should such requests be entertained only twice per year such as spring and winter? Maul said yes and Eagan said the \$10K process needs to be kept separate. Wear asked if it was fair that the Lied Center gets to talk to us today. Eagan stated that since it is on public record, it needs to be heard today. Waite stated that Stephan would never do anything incorrectly if he knew about it. Maul stated that Stephen did mention that someone else prepared the grant. Dickerson asked how much lodging tax is garnered annually into the fund and Maul stated approximately \$1.2M.

Lied Center for Performing Arts Funding Request: Bill Stephan, Executive Director of the Lied Center for Performing Arts began by giving a history of the Lied Center. Stephan stated it is their mission to educate, inspire and entertain the people of Nebraska through the performing arts. Stephan then presents some facts regarding the Lied that most are unaware of and that artists from all over the world are brought in. Stephan stated that Mayor Beutler is very supportive of investing in the care of the Lied Center. Stephan then stated several ways the Lied Center supports tourism for Lancaster County. Stephan stated the request today is for a major grant of \$270,000 for renovation of the seating in the Lied Center's main concert hall. The seats are the original seating put in place in 1990 and are in dire need of repair. Bids were received and it was determined it was more cost effective to repair the existing seats than to replace them. Grant funds will be used to replace fabric, cushions, seat pan and all damaged chair parts; to replace the existing seats with all new would be approximately \$1M. The seating is a critical area to update for the image of the Lied Center and patron comfort. The total cost

for updating is \$320K and have currently raised \$50K thus the request for the remaining \$270K from the VPC. Stephan stated there are limited foundation grants available for facility updates. The Lied does have a maintenance endowment of \$100K annually, but that is used on basic upkeep. The Lied does not receive hotel or restaurant tax revenue. Stephan stated previous grants received from the VPC are very much appreciated. This grant request would be spread over two years with most of the funds being requested in year one for materials and the balance in year two for labor. If grant is not approved, the project will be delayed and could impact attendance. An investment in the Lied will help keep Lincoln vibrant and attract people to Lincoln.

Lattimer thanked Stephan for his presentation and asked if there were any questions. Maul asked if the VPC does not fund this project this year, how long will the project be delayed? Stephan did not know. Morgan stated two of the three vendors quoted using plastic chair pans and inquired if pans could be repurposed. Stephan said they could not reuse the current pans. Fischer asked how the maintenance endowment was done. Stephan answered that it is invested with UNL Foundation and hope it grows to meet need; annually the allotted dollars are used up. Dickerson was curious on how room nights were measured. Stephan stated they compare with the conference and use zip codes for ticket sales. Fellers asked if there was a facility fee associated with ticket sales and Stephan replied there was a small \$3 facility fee only on those tickets sold in the box office and that revenue is used annually for maintenance as well. Fellers asked if that could be raised and Stephan responded it is their goal to keep tickets affordable. Fellers asked how many ticketed events they have per year and Stephan responded 150. Waite commented there is a difference in what the Lied Center sponsors and when an artist rents. Stephan commented that ticket sales do not come close to covering their overall budget needs and they depend on sponsorships.

Lattimer thanked Stephan for his presentation and then opened the floor for discussion reminding the group the total ask was \$270K. Wheaton stated he felt the number of room nights booked was optimistic. Morgan asked if the grant procedures asked for multiple bids. Maul stated yes. It was commented there was an addendum to the grant procedures in 2015 and both major and minor grant requests were done in March and November so procedurally we are ok.

Lattimer reminded everyone to keep in mind projected income by July. Guidelines are to enhance a facility and believed this was a capital expenditure. Eagan stated it appeared to be more of a depreciation issue. Lattimer stated she struggles with the need for the Lied Center to be state-of-the-art and recommending money we don't have. Eagan stated Dennis Meyer is concerned about cash flow and would need to double check with him. A year or more delay would probably be best and Wear stated it would give them more time to raise more funds for the project. Wheaton felt the ticket prices could be raised and Fellers stated a few extra dollars probably won't keep people from attending. Most people pay online and maybe a surcharge should be applied there. Wear stated that the lower bowl seats are in bad shape. Waite stated that it is industry standard that no facility fee is charged when purchasing online. Fellers stated there are no bad seats in the house and believed it is a good project, but they are leaving money on the table and need to raise the facility fee. Fischer asked about their history of grant requests. Maul responded that \$89K was granted for the marquee, lighting board and other improvements; plus other \$10K requests have been granted for mixer board and speakers. Lattimer stated she was concerned that they do not have a capital fund. Waite responded that donors won't give money for maintenance and that is an issue. Morgan asked if we could breakdown the project. Lattimer responded she tried to identify a part that could be sponsored. Maul stated that the grant is really an all or nothing request. Dickerson wondered if the amount could be lowered and go

after the worst seats at this time. Perrett wondered if they were given \$100,000 at this time if they would just sit on it until they could raise the rest. Lattimer felt it was a timing issue and could not support the concept and need to be fiduciarily responsible in spending that kind of money based on the projected 2016 balance. Lattimer made the motion to deny the request at this point and suggest they reapply in 2016 when the VPC have a better vision of the fund balance. Wear seconded. Motion carried unanimously.

#### Lincoln Children's Museum Funding Request:

Marissa Gill Keyzer and Holden Armstrong, Multimedia Specialist, presented a grant request for \$10K to funding of television ad and media advertising to promote their two new exhibits targeting Grand Island and Des Moines, IA. The Lincoln Children's Museum is celebrating their 25<sup>th</sup> anniversary and they have been building up to this anniversary for four years. Armstrong stated they want to produce a TV ad (a 30 second spot) that showcases these two new exhibits to air in Grand Island and Des Moines, IA. These ads would also be complimented with targeted digital (web) ads and supplemented with Facebook posts. 501 ads will run between Grand Island and Des Moines and run locally as public service announcements on selected cable channels that will capture the whole family at once. Armstrong also stated that when ads are run on TV combined with online the recall doubles. It is anticipated there will be 625,000 impressions over a five month period. They are targeting options based on visits to their website and visits to relevant websites such as Travel.com, TripAdvisor, Disney, etc. They also looked at searches about Lincoln, NE, museums, fun things to do, etc. including interest in travel, children's activities, learning, etc. Reason for selecting Des Moines is they currently do not have a children's museum, the distance is under three hours and website visits from Des Moines is the third highest. Grand Island was selected as they currently have no children's museum; the distance is under two hours with the possibility of turning a day trip into a weekend and web visits from that area were in the top ten with twice as many steps taken once on the website.

Lattimer opened the floor for questions. Maul asked if an agency was used to select the programming and Armstrong said yes. Fellers inquired about the web ads asking if they were going to use videos they are producing or use banner web ads and Armstrong stated the web package will adjust up and down between mobile applications; i.e., desktop vs. phone and it will be banner ads over content vs. pop-ups. Fellers asked if it was going to be just in the Grand Island cable network or the surrounding area. Armstrong stated it will be within a 15 mile radius around Grand Island and hit approximately 60K people. Fellers asked how people are coming to the site; i.e., Google Search, etc. Armstrong stated they did not bring that information with. Perrett asked if they were partnering with Charter Cable and Armstrong stated yes and Des Moines has Charter Cable so it will be a package deal with the targeting being very specific. There being no other questions, Keyzer and Armstrong were dismissed from the room.

Lattimer opened the floor for discussion. Morgan wondered if they considered working with other entities in Lincoln for a combined package such as a hotel and the Lincoln Children's Zoo. Dickerson asked how they intend to fund these ads on an ongoing basis. Wheaton wondered if they will try to track the results and time spent in Lincoln. Maul stated they are targeting two communities that do not presently have a children's museum. Fellers stated that Des Moines does have a Children's Science Center and wondered what key words drove the Des Moines traffic. Fellers also stated that \$10K does not buy a lot on TV and asked what they would use as their measurement tool. Maul stated they do keep track of where people are from and believed the Grand Island dollars are well spent based on proximity and interest. Lattimer wondered if it is cost effective for the ads for Des Moines. Maul

stated there was no mention of timing. Morgan stated the application stated January 1 – August 1. Perrett stated she liked the plan and wondered if throwing all \$10K in the Grand Island, Hastings, Kearney and Columbus area may get more traffic.

Lattimer made the motion to approve the \$10,000 grant request from the Lincoln Children's Museum to purchase television and web advertisement. Perrett seconded. Wear asked if we could stipulate asking for results. Motion was passed unanimously without that stipulation.

#### The Stage Theater Funding Request:

Robert Wamsley, President of the Stage Theatre stated they were requesting a grant of \$10,000 and introduced Rex Wamsley who gave a detailed description of the exhibit/attraction. Wamsley stated The Stage Theater is a 501(c)3 non-profit community theater located in Hickman, NE. Because of Hickman's close proximity to south Lincoln it directly supports this rapidly growing area. It also supports the communities of Firth, Panama, Holland, Cortland, Princeton, Cheney, Roca, Hallam, Sprague and Martell. All of these communities including Lincoln have provided people who have directly supported and assisted the theater in its third year of very successful operation. All people associated with the theater are volunteers. Wamsley then gave a history of the present building as well as the shows that have been performed there stating that nearly all theatrical performances have been sold out and additional performances were added in order to meet the demand for those wanting to attend. Wamsley stated that much of their success is due to its aggressive advertising and outreach program.

The grant funds would be used to expand and improve the theater's existing interior lighting system, etc.; purchase portable exterior signage; expand and improve the existing sound system including individual lapel microphones; purchase handicap and other seating; expand and improve permanent use stage infrastructure and improve theater exterior including safe access. These items are listed as Attachment 2.

Wamsley reviewed the total projected budget which revealed that expenses exceed income and another reason for enhancements to increase attendance/ticket sales. They thanked the VPC for previous grants.

Lattimer opened the floor to questions asking where the portable sign be located. Wamsley responded on 68<sup>th</sup> Street where there is a lot of traffic. Lattimer then asked if they would still place ads in newspapers and Wamsley replied yes, but would not use the grant money for advertising. Morgan asked how the number of season ticket holders was going. Wheaton asked what the seating capacity was and Morgan replied 122; Wamsley added that was the reason they do so many performances which is hard on the actors. Maul asked if they maintained a database of ticket holders. Wamsley answered yes and that they use Ticket Assistant which is an amazing system out of Canada and that most ticket sales are done online via PayPal. Dickerson asked where they drive tickets sales to as they previously stated they are already at capacity. Wamsley stated there was tons of space on the lot to add on and the end goal would to make the theater bigger at the same location. Dickerson then asked how growth would be driven with the investment of the grant they are requesting. Wamsley stated they would like to add movie and jazz nights and get a liquor license – want to reach outside shows to grow other activities.

Lattimer thanked them for their presentation and dismissed them from the room opening the floor once again for discussion. The question was raised if it was a nonprofit that owned the building. If it is a

for profit entity, then it would not be eligible for different aspects of the request. Dickerson stated that most of what they are planning to use the grant funds for is portable; however, does not understand how they can drive more attendance if they are already sold out. Wear stated the attendance numbers are way off. Dickerson agreed stating it added up to 6,000, not 8,500 based off the number of shows they have done and Lattimer stated they projected 15,000. Wheaton said they want to have other events besides plays. Dickerson asked if attendees stayed in hotels for local events like want to do. Wheaton said when he was at the Residence Inn there was an event with Art and Soul and it drove people to stay an extra day; they should possibly partner with other attractions, etc. Lattimer agreed that a combination of activities could create additional room nights. Wheaton stated they are always looking to provide their guests something to do. Lattimer asked if this grant would help make it bigger and Wear stated it can't get bigger. Lattimer asked Eagan if it qualifies. Eagan stated if the building is owned by a for profit – no. Lattimer asked about funding parts of the request and not the part that is relative to the building. Maul asked if there was a motion in reference to what would be portable. Lattimer asked Wheaton if he had any thoughts. Wheaton stated consideration should be given to fund items 1, 2, 3, & 5 as Item 4 needs more clarification if it could be portable and Item 6 would be part of the permanent structure. Waite stated clarification needed to made on interior lighting – if that was portable. Lattimer stated the lighting would not be an improvement to the structure if owned by the theater. Eagan read what constitutes a visitor attraction. Wheaton moved that Items 1, 2, 3, 4 & 5 be approved with the caveat they are portable if the building is owned by a for profit. Maul called Walmsley and stated that a private individual owns the building. Eagan said we could be faced with the same issues as experienced with The Bay. Lattimer asked Wheaton were they stood with the motion. Wheaton responded that Item #1 should be removed and Eagan stated only things owned by the Theater should be approved. Wheaton made the motion to approve grant funds for Items 2, 3 and 5 totaling \$6,392 and it was seconded by Morgan. Motion carried unanimously.

Approval of August/November Minutes: Lattimer asked if everyone had reviewed the minutes of the August 19 and November 4 meeting and for presentation to the County Board and then asked for a motion to approve such minutes. Dickerson made the motion and it was seconded by Wheaton. Motion carried unanimously.

Approval of October Financials:

Kalkwarf presented the CVB profit and loss statement for the period of July through October 2015, stating that total income was \$537,017 which is higher than budget due to State Games of America and room rebates which both will have offsetting expenses. Expense variances of note include salaries due to employee turnover; medical and dental as there was no increase as anticipated; rent was based on estimates and before the true numbers were available prior to moving into this building and sports event promotion due to the State Games of America and Meetingmax. Total expenses were \$482,696 leave a net income of \$54,321. Lattimer asked for a motion to approve the financials as presented which was done by Perrett and seconded by Dickerson. Motion carried.

Director's Report:

Maul reported that the NORCECA Women's Olympic Volleyball Qualifier will be January 7 – 9, 2016 at the Pinnacle Bank Arena. USA, Dominican Republic, Puerto Rico and Canada will be competing. Ticket sales have been strong and Maul encouraged to take some informational cards and to watch for special promotions and advertising.

The 2015 Be A Tourist campaign had 4,500 passports distributed with 200 passports turned in. This

year there were 30 stops on the passport and included attractions, restaurants and theatre stages. Prizes were donated and awarded to participants. A meeting is planned with Dignity regarding partnering for the 2016 campaign as Dignity also has a summer passport program.

Maul reported the Visitors Guide is in production for 2016. This year the guide was placed in Omaha area hotels as well. Lincoln's food culture is expanding through media and tours with the help of James Arthur Vineyards, Bread and Cup and Dan Parsons. [Lincoln.org/COMPETE](http://Lincoln.org/COMPETE) has been launch for the growth in the sports market.

Maul reported the CVB has been working with Firespring on ad production and referred to the samples in the packets. Maul attended the 2015 Upper Midwest Conference in St. Louis Park, MN with peers from a 8 – 9 state region. Maul also attended the State Travel Conference in Columbus which was the best he has attended in 13 years; the speakers were great as well as many networking opportunities. The State Games of America received the "Outstanding Event" award at that conference. Maul reported the CVB will partner with Nebraska Tourism at the NE "Nice" fanfest at the 2016 Spring Game which will be on BTN. Maul then presented a copy of the 40-page United Hemisphere Dossier that featured Nebraska for the month of November. Very good piece on Nebraska that will be seen nationally and internationally. NSAA State Volleyball tournaments went very well with good attendance and weather. Maul toured the Nebraska High School Sports Hall of Fame and was very surprised with the progress. Maul reported the 2<sup>nd</sup> LinConnect Expo at the Lancaster Event Center went well and plans are underway for next year to be bigger yet.

Maul reported that on August 21, 2017 there will be a full solar eclipse which will last about 35 seconds in Lincoln; however, Beatrice area has been targeted as premium viewing as it is expected to last approximately two minutes. It is anticipated that approximately 150K people could come to the area around the Homestead National Monument to experience this eclipse and the CVB is working with the people at the HNM.

Maul stated that upcoming events of note include the Nebraska Music Educators Conference, November 19 – 22; NSAA State Football, November 23-24; Nebraska Power Farming Show, December 8-10; NORCECA Women's Volleyball, January 7-9, 2016; and the World Ten-Pin Bowling Championships, July 15-24, 2016 – this event brings in people from across the world.

Feyerherm reported on sales and proposals to date saying there have been 147 sales leads for 78,504 room nights of which 78% are regional/national. Nineteen proposals have been submitted for consideration; 47 leads currently pending for 31,818 room nights with several expected to close by the end of the year and there have been multiple site visits.

Feyerherm then reported on 2015 booked business to date stating that 81 events have been booked for 36,990 rooms of which 69% are regional/national and anticipate over 60K by the end of the year. The following events have been awarded, but waiting on the contract: 2016 USA BMX-Gold Cup; 2016/2017 USA Roller Sports; 2016/2017 Major League Triathlon – we are the first city of our size to be awarded this event; 2017 National Junior Disability Championships; and the Jehovah's Witnesses are moving to the Pinnacle Bank Arena with the potential of their Hispanic Speaking version to be held at the Devaney Center in future years. Attendance at tradeshow is paying off as evident by the NORCECA announcement.

½% CVB/Event Promotion Tax Request:

Lattimer stated that the CVB could now ask for the ½% tax request for event promotion and Maul stated there was nothing at this time requiring the request for these funds.

New Business:

Lattimer asked if there was any new business and Maul referred to the 2016 meeting dates with the next VPC meeting being February 10 at 1:30 p.m. Maul also reminded everyone of the Holiday Social December 9 from 4:30 – 6:30 here at the Chamber and a formal invitation will follow.

Adjourn:

There being no further discussion Lattimer adjourned the meeting at 3:50 p.m.